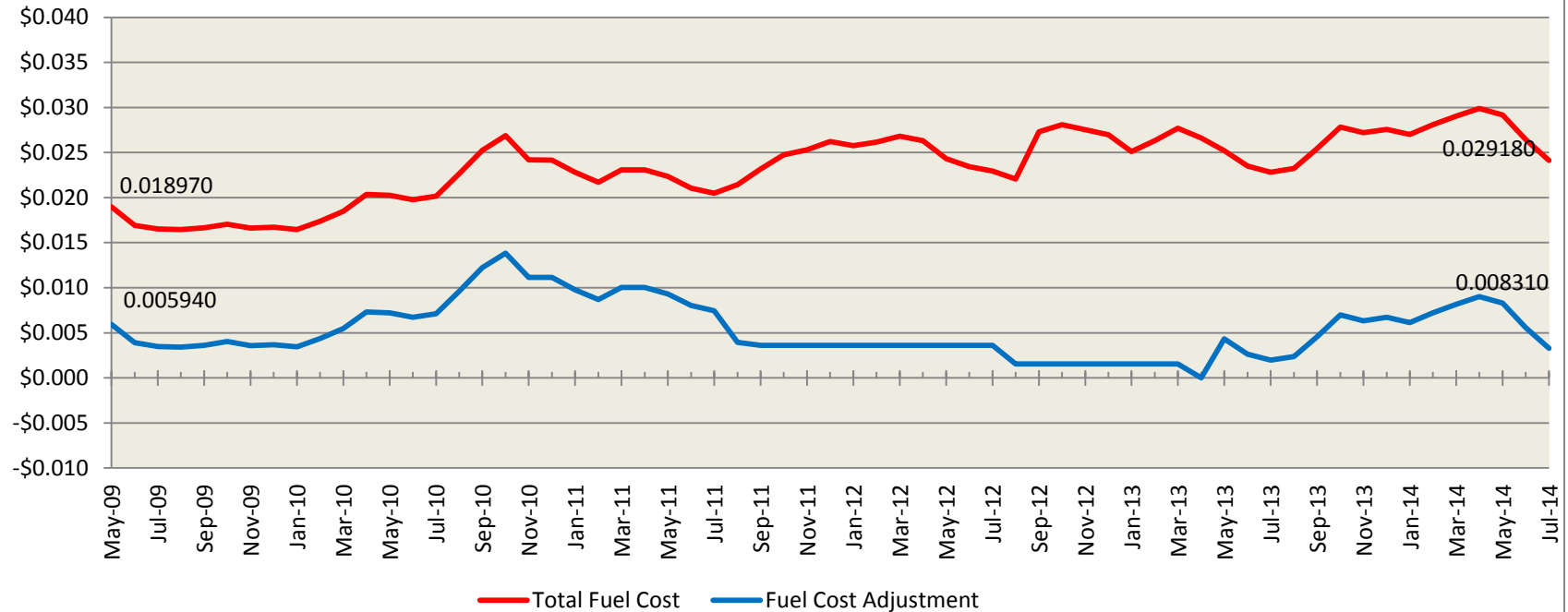


Montana-Dakota Utilities Co. Residential Fuel Cost Adjustments



*The difference between the Total Fuel Cost and the Fuel Cost Adjustment is the amount of fuel costs included in the base rate. The amount of fuel costs included in base rate of Montana-Dakota Utilities Co. decreased from \$0.01554 to \$0.01303 beginning February 2004.

About the Fuel Cost Adjustment

- The Total Fuel Cost reflects the cost of fuel to produce electricity and the cost to purchase electricity on the market.
- Utilities are allowed to pass the cost of fuel onto the consumer and they do not make a profit from it.
- The Fuel Cost Adjustment appears on your bill each month and is applied to each kilowatt-hour of electricity consumed.

Montana-Dakota Utilities Co.
Residential Total Fuel Cost

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------|-----------|------------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| January | \$0.01183 | \$0.01559 | \$0.02106 | \$0.02202 | \$0.021900 | \$0.016470 | \$0.022800 | \$0.025760 | \$0.025100 | \$0.020870 |
| February | \$0.00970 | \$0.01728 | \$0.02034 | \$0.02424 | \$0.022530 | \$0.017390 | \$0.021710 | \$0.026160 | \$0.026330 | \$0.020870 |
| March | \$0.01267 | \$0.01598 | \$0.02571 | \$0.02468 | \$0.023060 | \$0.018500 | \$0.023080 | \$0.026820 | \$0.027690 | \$0.020870 |
| April | \$0.01172 | \$0.01692 | \$0.02511 | \$0.02530 | \$0.020230 | \$0.020350 | \$0.023070 | \$0.026310 | \$0.026620 | \$0.020870 |
| May | \$0.01269 | \$0.01434 | \$0.02194 | \$0.02445 | \$0.018970 | \$0.020250 | \$0.022340 | \$0.024310 | \$0.020870 | \$0.020870 |
| June | \$0.01244 | \$0.01106 | \$0.02173 | \$0.01956 | \$0.016920 | \$0.019770 | \$0.021060 | \$0.023430 | \$0.020870 | \$0.020870 |
| July | \$0.01480 | \$0.01249 | \$0.02124 | \$0.02013 | \$0.016510 | \$0.020150 | \$0.020480 | \$0.022950 | \$0.020870 | \$0.020870 |
| August | \$0.01509 | \$0.01959 | \$0.02104 | \$0.02342 | \$0.016450 | \$0.022650 | \$0.021440 | \$0.022050 | \$0.020870 | |
| September | \$0.01711 | \$0.02235 | \$0.02408 | \$0.02566 | \$0.016650 | \$0.025250 | \$0.023190 | \$0.027320 | \$0.020870 | |
| October | \$0.01526 | \$0.013872 | \$0.02458 | \$0.02893 | \$0.017060 | \$0.026880 | \$0.024750 | \$0.028100 | \$0.020870 | |
| November | \$0.01429 | \$0.02074 | \$0.02430 | \$0.02655 | \$0.016620 | \$0.024180 | \$0.025320 | \$0.027530 | \$0.020870 | |
| December | \$0.01366 | \$0.01656 | \$0.02341 | \$0.02293 | \$0.016710 | \$0.024170 | \$0.026230 | \$0.026970 | \$0.020870 | |

Montana-Dakota Utilities Co.
Residential Fuel Cost Adjustments

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------|------------|------------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| January | \$-0.0012 | \$0.00256 | \$0.00803 | \$0.00899 | \$0.008870 | \$0.003440 | \$0.009770 | \$0.003610 | \$0.001540 | \$0.006150 |
| February | \$-0.00333 | \$0.00425 | \$0.00731 | \$0.01121 | \$0.009500 | \$0.004360 | \$0.008680 | \$0.003610 | \$0.001540 | \$0.007230 |
| March | \$-0.00036 | \$0.00295 | \$0.01268 | \$0.01165 | \$0.010030 | \$0.005470 | \$0.010050 | \$0.003610 | \$0.001540 | \$0.008160 |
| April | \$-0.00131 | \$0.00389 | \$0.01208 | \$0.01227 | \$0.007200 | \$0.007320 | \$0.010040 | \$0.003610 | \$0.000000 | \$0.009010 |
| May | \$-0.00034 | \$0.00131 | \$0.00891 | \$0.01142 | \$0.005940 | \$0.007220 | \$0.009310 | \$0.003610 | \$0.004330 | \$0.008310 |
| June | \$-0.00059 | \$-0.00197 | \$0.00870 | \$0.00653 | \$0.003890 | \$0.006740 | \$0.008030 | \$0.003610 | \$0.002620 | \$0.005580 |
| July | \$0.00177 | \$-0.00054 | \$0.00821 | \$0.0071 | \$0.003480 | \$0.007120 | \$0.007450 | \$0.003610 | \$0.001960 | \$0.003270 |
| August | \$0.00206 | \$0.00656 | \$0.00801 | \$0.01039 | \$0.003420 | \$0.009620 | \$0.003930 | \$0.001540 | \$0.002360 | |
| September | \$0.00408 | \$0.00932 | \$0.01105 | \$0.01263 | \$0.003620 | \$0.012220 | \$0.003610 | \$0.001540 | \$0.004560 | |
| October | \$0.00223 | \$0.000842 | \$0.01155 | \$0.0159 | \$0.004030 | \$0.013850 | \$0.003610 | \$0.001540 | \$0.006970 | |
| November | \$0.00126 | \$0.00771 | \$0.01127 | \$0.01352 | \$0.003590 | \$0.011150 | \$0.003610 | \$0.001540 | \$0.006320 | |
| December | \$0.00063 | \$0.00353 | \$0.01038 | \$0.0099 | \$0.003680 | \$0.011140 | \$0.003610 | \$0.001540 | \$0.006710 | |

MDU Residential Bill Comparison

(Compares differences in bill amounts due to change in Fuel Cost Adjustments)

| Month | Usage | Difference from previous month | Difference from one year ago |
|----------------|--------|--------------------------------|------------------------------|
| July 2014 | 750kWh | \$-1.73 | \$0.98 |
| June 2014 | 750kWh | \$-2.05 | \$2.22 |
| May 2014 | 750kWh | \$-0.52 | \$2.99 |
| April 2014 | 750kWh | \$0.64 | \$6.76 |
| March 2014 | 750kWh | \$0.70 | \$4.97 |
| February 2014 | 750kWh | \$0.81 | \$4.27 |
| January 2014 | 750kWh | \$-0.42 | \$3.46 |
| December 2013 | 750kWh | \$0.29 | \$3.88 |
| November 2013 | 750kWh | \$-0.49 | \$3.59 |
| October 2013 | 750kWh | \$1.81 | \$4.07 |
| September 2013 | 750kWh | \$1.65 | \$2.27 |
| August 2013 | 750kWh | \$0.30 | \$0.62 |
| July 2013 | 750kWh | \$-0.50 | \$-1.24 |
| June 2013 | 750kWh | \$-1.28 | \$-0.74 |
| May 2013 | 750kWh | \$3.25 | \$0.54 |
| April 2013 | 750kWh | \$-1.16 | \$-2.71 |
| March 2013 | 750kWh | \$0.00 | \$-1.55 |
| February 2013 | 750kWh | \$0.00 | \$-1.55 |
| January 2013 | 750kWh | \$0.00 | \$-1.55 |
| December 2012 | 750kWh | \$0.00 | \$-1.55 |
| November 2012 | 750kWh | \$0.00 | \$-1.55 |
| October 2012 | 750kWh | \$0.00 | \$-1.55 |
| September 2012 | 750kWh | \$0.00 | \$-1.55 |
| August 2012 | 750kWh | \$-1.55 | \$-1.79 |
| July 2012 | 750kWh | \$0.00 | \$-2.88 |
| June 2012 | 750kWh | \$0.00 | \$-3.32 |
| May 2012 | 750kWh | \$0.00 | \$4.28 |
| April 2012 | 750kWh | \$0.00 | \$-4.82 |
| March 2012 | 750kWh | \$0.00 | \$-4.83 |

